

No. 12/ 2 /DPM

Jakarta, January 22, 2010

CIRCULAR LETTER

To

ALL BANKS, SECURITIES COMPANIES AND NON-BANK CUSTODIAN
INSTITUTIONS IN INDONESIA

Subject : Amendment to Circular Letter of Bank Indonesia Number 11/6/DPM
dated February 10, 2009 concerning the Procedures for the
Administration of Retail State Sharia Securities

With regard to the stipulation of Regulation of Bank Indonesia Number 10/13/PBI/2008 dated August 21, 2008 concerning the Auction and Administration of State Securities (State Gazette of the Republic of Indonesia Year 2008 Number 123, Supplement to the State Gazette of the Republic of Indonesia Number 4888), Decree of the Minister of Finance Number 215/KMK.08/2008 dated August 15, 2008 concerning the Appointment of Bank Indonesia as the Agent of Administration, Payment and Auction for State Sharia Securities in Domestic Market and Regulation of the Minister of Finance Number 218/PMK.08/2008 dated December 16, 2008 concerning the Issuance and Sale of Retail State Sharia Securities in the Primary Domestic Market, in the context of completing the Retail State Sharia Securities settlement mechanism, it is considered necessary to amend the provisions of point II item A of Circular Letter of Bank Indonesia Number 11/6/DPM dated February 10, 2009 concerning the Procedures for the Administration of Retail State Sharia Securities in a Circular Letter of Bank Indonesia as follows:

II. PROCEDURES FOR THE ADMINISTRATION OF RETAIL STATE *SUKUK*

A. Settlement of Retail State *Sukuk* in the Primary Market

1. Bank Indonesia shall make settlement of Retail State *Sukuk* in the Primary Market based on the stipulation of proceeds from the sale by the Directorate General of Debt Management for and on behalf of the Minister of Finance by no later than 2 (two) Business Days as of the date of stipulation of proceeds from the sale of Retail State *Sukuk* (T+2).
2. The settlement as intended in number 1 shall be in the form as follows:
 - a. fund settlement by debiting the paying Bank's giro account in rupiah with Bank Indonesia and crediting the Government's giro account in rupiah with Bank Indonesia in the amount of settlement value; and
 - b. securities settlement by registering the serial number of issuance of Retail State *Sukuk* in BI-SSSS in accordance with the terms and conditions stipulated by the Minister of Finance and crediting the Sub-Registry securities account designated by the Retail State *Sukuk* buying investor.
3. On the same day with the day of crediting of the Sub-Registry securities account, the Sub-Registry:
 - a. shall be obligated to record the ownership of Retail State *Sukuk* on behalf of the investor obtaining individual Retail State *Sukuk* allotment in the Sub-Registry system; and
 - b. shall send the list of detail of the individual Retail State *Sukuk* investor to BI *cq.* DPM-PTPM comprising of Account Identifier (AId), name of customer,

securities code, status of investor, type of investor and nominal of transaction through the reporting facility determined by Bank Indonesia.

4. In the event that there is insufficient fund in the paying Bank's giro account in rupiah with Bank Indonesia up to the fund settlement time limit in the BI-RTGS System (cut-off warning), the settlement of Retail State *Sukuk* made through the aforementioned paying Bank shall be declared fail.
5. Bank Indonesia shall notify in writing of the aforementioned settlement failure to the Minister of Finance *cq.* the Director General of Debt Management.

The provisions in this Circular Letter shall come into effect on January 22, 2010.

For public cognizance, ordering the announcement of this Circular Letter by promulgating it in the State Gazette of the Republic of Indonesia.

Please, be informed accordingly.

BANK INDONESIA,

HENDAR

DIRECTOR OF MONETARY MANAGEMENT